



Brexit - A Collaborative Approach

On 29 March 2017, the UK government formally notified the European Council of the UK's intention to leave the EU, in accordance with the procedures under Article 50 of the Treaty of the European Union ("**TEU**").

As a result, the UK will formally leave the EU and the TEU will cease to apply to the UK from the earlier of:

- (a) a date on which a 'withdrawal agreement' is concluded between the UK and the EU; or
- (b) two years after 29 March 2017.

There is still a large degree of uncertainty as to whether there will be a 'hard' or 'soft' Brexit and what the final withdrawal agreement (if any) will look like. Further, Article 50 also provides that the European Council, in agreement with the UK, could unanimously decide to extend the two year period.

However, it is certain that Brexit will have a significant impact across a range of sectors, including financial services regulation, asset management, banking, finance, corporate and commercial, employment, tax, property and dispute resolution.

A Collaborative Approach

Many of our global clients (in particular, UK domiciled clients) are developing their plans for carrying on business in the EU as a result of Brexit.

While there may be long term benefits and new opportunities arising from the UK's decision to leave the EU, in the short-to-medium term, many clients are facing important and challenging decisions. These relate to future uncertainty on EU rights and how to maintain or enhance business models structured on existing European regulations and directives.

Since the UK referendum on EU membership we have been working, on a collaborative basis, with our clients and their international advisers to address a wide range of complex legal and regulatory Brexit-related issues. Recent examples include working alongside UK legal, regulatory and tax advisers to help global investment banks, financial institutions and investment managers develop their contingency plans or to establish regulated entities in Ireland.

This guide gives an overview of the services offered in this area by Maples and Calder and MaplesFS (together, the "Maples group").

Our Brexit Team

The Maples group is a global provider of legal, corporate, specialised fiduciary and fund administration services to the world's leading funds, financial institutions, corporates and private clients.

With over 1,400 people worldwide across 14 global offices we have been advising on the world's most sophisticated international transactions for over 50 years.

We have assembled a multi-disciplinary team of experts to work with affected clients and their international advisers on the key legal, regulatory and tax issues as a result of Brexit.

As we anticipate a substantial impact on EU cross-border activity, we are seeing increased demand for Irish legal services. However, our multi-disciplinary team can also draw on Cayman Islands and BVI legal resources and the expertise of MaplesFS affiliates.



The Brexit Timeframe and Strategic Planning

While it is expected that the negotiation process will last two years and may be further extended, the strategic planning and implementation of Brexit solutions requires building in considerable time to avoid missing deadlines.

The vast majority of affected entities will have advanced contingency planning in place and will need to implement those plans well in advance of the March 2019 deadline.

For example, if your Brexit planning foresees the need to apply for a regulatory permission in another EU Member State (e.g. Ireland) then you will need to factor in the time needed to obtain authorisation of a new entity. Many existing EU regulations and directives set down anticipated regulatory timeframes of three to six months (UCITS, AIFMD, MiFID, etc.) before a local regulator (e.g. the Central Bank of Ireland) must approve or reject an application. However, the regulator may only start the clock ticking on your application once it is deemed complete and has been formally submitted. Complex organisations will need to

assess suitable legal structures, local officers and employees, as well as legal, regulatory and tax issues in advance of making an application. This preparatory work can extend the total timeframe by a number of months. Further, there is a concern in the market that local regulators may face difficulties in dealing with high volumes of applications if many are submitted just before the deadline, increasing the risk of a lag in authorisation timeframes.

We suggest the following rough guidelines to establish an Irish regulated entity under UCITS, AIFMD or MiFID. For larger and more complex entities, such as credit institutions or insurance companies, consideration should be given to building in even more conservative timeframes:

March – December 2017

Advanced and detailed contingency plans should be in place

The Central Bank of Ireland should be visited to discuss the creation of new affiliates and relocation plans

Work to begin on formal applications by Q3 or Q4 2017

January – March 2019

Authorisation of the new Irish entity should have been granted by the end of Q4 2018

This would leave 3+ months (depending on final negotiations) for live operation of the Irish entity prior to formal Brexit

2018

Watching brief on Brexit negotiations and possibility of 'equivalent' rights being granted to UK

For clients who are concerned about Brexit negotiations or need certainty on retaining EU permissions and passports an early submission to the Irish regulator should be made no later than Q1 2018

Ireland as a Location of Choice

There is a range of factors that make Ireland a compelling prospect for international business.

Ireland is a common law jurisdiction with an extensive framework of laws, regulations and tax codes tailored to modern corporate and financial services business. As an EU Member State, it is ideally suited as a gateway to doing business throughout Europe from a single base. Ireland's

economic policies are strongly supportive of business and finance. The jurisdiction has attracted high levels of foreign direct investment and is also recognised as a leading global financial centre.

These factors have proved very attractive to clients considering their Brexit options, as Ireland has many similarities to the existing UK legal system (including current implementation of EU laws).

Why consider Ireland?

LEGAL AND REGULATORY FRAMEWORK

- EU Member State, Eurozone, OECD and FATF Member Country
- Common law system
- Pro business state/government¹

TAX

- A corporation tax rate of 12.5% for trading companies, one of the lowest corporation tax rates in the EU
- An EU-approved stable tax regime, with access to extensive treaty network (comprising over 70 tax treaties) and EU Directives
- Attractive holding company regime, including participation exemption from capital gains tax on disposals of shares in subsidiaries
- Specific measures to incentivise the relocation of internationally mobile employees

LOCATION

- Favourable time zone for US and UK headquartered firms
- English speaking
- Infrastructure including: human resources, residential and commercial property availability, and flights and access
- Leading global centre for technology and financial services

This assessment is supported by a range of international benchmarking and competitiveness surveys. The IMD World Competitiveness Yearbook 2016 ranked Ireland 1st in the Eurozone, 5th in the OECD, and 7th in the world for overall competitiveness. Ireland maintained its position as the best country in the Eurozone for doing business in the Forbes magazine rankings in 2016, ranked 4th overall in the world.

¹For example, the Department of Finance's IFS 2020 initiative

Irish Legal Services

Our Irish team has a long track record of advising global clients on all aspects of carrying out business in the EU from Ireland.

Unlike almost all of our domestic Irish competitors, we have genuine international reach and we are closely attuned to global trends and developments. We have the advantage of being part of an international firm and have Irish law capability in North American and Asian locations to advise our clients across different time zones.

In a post-Brexit environment, this experience is now being harnessed for contingency planning or for immediate restructuring.

We can assist UK clients in planning responses to Brexit and the next phases of their EU related business.

We can also assist non-EU clients looking to access alternative or additional centres in the EU, as their Brexit planning requires.



Investment Funds

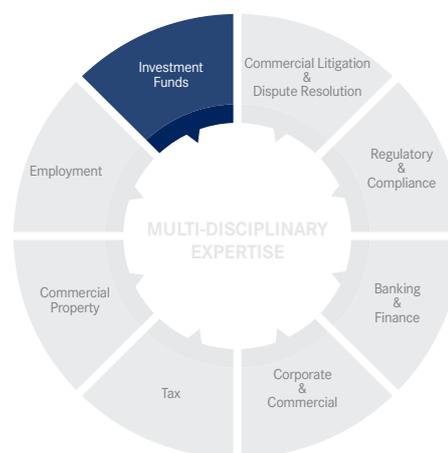
Our Investment Funds group is independently ranked² as the number one legal adviser in Ireland for funds, based on: (a) total number of funds advised; and (b) number of new funds established.

This market leading position gives us a unique insight into market trends. It also means our funds lawyers have a deep understanding of current laws, regulations and directives to support innovative product development in the area of UCITS, AIFMD, MiFID and across the wider asset management and financial services area.

We advise on all aspects of the establishment, structuring, authorisation and on-going distribution of investment funds and their management companies in Ireland. Our fund projects include mutual funds, liquid alternatives, hedge funds, real estate funds, private equity funds, managed account platforms and hybrid vehicles.

In a Brexit context, this experience has been an invaluable resource to UK clients looking for advice on the establishment of Irish affiliates and subsidiaries to maintain EU cross-border management and marketing passports.

Our UK and international clients are very familiar with the use of Irish funds (e.g. ICAVs, PLCs, unit trusts, partnerships and CCFs) and the rules of the Central Bank of Ireland. In many cases we have already set up 'self-managed funds' and UCITS management companies or Irish AIFMs. We are seeing increased demand for these entities in Ireland along with a trend towards dual UCITS-AIFMD authorised entities (so-called "**SuperManCos**") with added MiFID permissions. We also have experience in setting up stand-alone MiFID entities where our client's requirements go beyond the ancillary permissions allowed under UCITS and AIFMD.



Our services encompass the full range of MiFIDII and MiFIR planning, comparing Irish and non-Irish permissions, assisting with Central Bank applications and key fact document completion as well as ongoing legal advice on authorisation of the entity.

Our Investment Funds partners are also extremely well represented on various industry bodies, including the Taoiseach's (prime minister's) Funds Committee; the Irish Funds Association and on UK based associations including the Alternative Investment Management Association ("**AIMA**"). We regularly engage and meet with the Central Bank to discuss their rules or client proposals, including in relation to their rules for Irish management companies (CP86) and the establishment of regulated entities in Ireland.

Our combination of cutting edge legal expertise and industry engagement allow us to serve our clients' needs and put us at the forefront of Brexit strategy and policy discussions in Ireland.

Commercial Litigation & Dispute Resolution

Our Commercial Litigation & Dispute Resolution group has market-leading experience in advising on and acting in all manner of domestic and multi-jurisdictional disputes. The management of risk and the fast and effective resolution of disputes is a core part of our approach to litigation and dispute resolution. We focus as much on pre-dispute strategies designed to avoid disputes and mitigate risk as we do on litigation itself.

Ireland, as a common law jurisdiction, offers a neutral venue with an established, independent and reliable judicial system in which to resolve disputes. As an EU Member State, Ireland offers parties the certainties associated with the well-established conventions and regulations applicable to choice of law, jurisdiction, venue and enforcement in litigation within the EU, as well as beyond its borders. Ireland is a signatory of the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 and the Washington Convention on the Settlement of Investment Disputes between States and Nationals of other States ("ICSID") and has ratified the Washington Convention. Further, the Irish courts have traditionally shown deference to the choice of the contracting parties of arbitration as a means of resolving disputes.

In addition, Ireland's Commercial Division of the High Court has a reputation for resolving complex commercial litigation quickly and effectively.

Regulatory & Compliance

Our Regulatory & Compliance group provides strategic regulatory advice aimed at pre-empting industry compliance deadlines, adapting to changes in the market or to prepare for regulatory inspections.

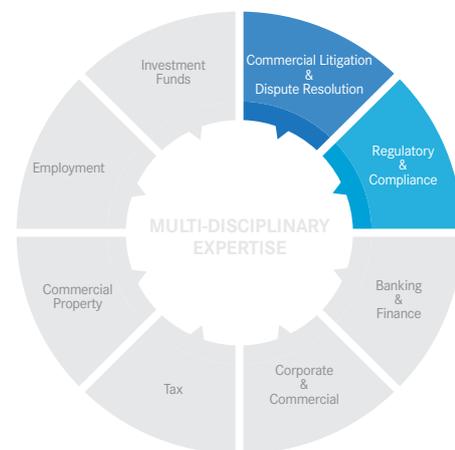
Due to the nature of the regulatory environment and the requests of entities relocating to Ireland as a result of Brexit, our team has expanded its existing capability to cater for clients across disciplines, including: investment funds, investment managers, prime brokers, fund service providers, payment institutions, investment banks and credit institutions, insurance (life and non-life) undertakings and credit unions.

Our team has extensive experience in dealing with regulatory and compliance matters in the following areas: application and authorisation, enforcement mitigation, thematic, general and lightning inspections and AML/CTF/FS services.

Our team advises on and has expertise on a range of disciplines including the following:

- banking, financial markets, funds and securities litigation;
- contract disputes;
- commercial litigation;
- shareholder and corporate disputes;
- regulatory disputes and investigations;
- international and domestic arbitration;
- infrastructure and construction projects; and
- litigation associated with insolvency and restructuring processes.

As an international practice, we are used to developing multi-jurisdictional strategies and we work with and have excellent relationships with co-counsel in the leading jurisdictions around the world. We can and do leverage our local expertise with our international experience in delivering effective and cost-efficient solutions for our clients.



The team combines a deep understanding of Irish requirements, with in house compliance experience of other jurisdictions including the UK, allowing us to adapt existing compliance frameworks efficiently to an Irish context.

Additional advice is provided on the Irish interpretation of EU requirements, including: Solvency II, EMIR, SFTR, capital adequacy, remuneration rules and other areas stemming from the EU Commission's Capital Markets Union initiative.

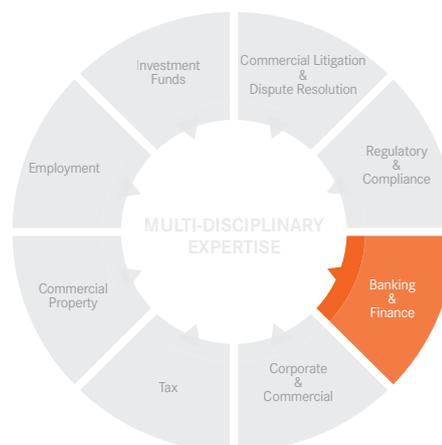
Our team works closely with our Investment Funds, Banking and Finance, Corporate and Commercial and other groups to provide a unified regulatory service to clients establishing entities in Ireland.

Banking & Finance

Our Banking & Finance group offers expert advice across the full range of general banking, structured finance and aviation finance sectors.

Our Banking team regularly acts on cross-border financing transactions, particularly those with a funds-based element. Our team has also acted in a broad range of banking regulatory matters, including applications for a banking licence in Ireland, change of control procedures and advice on regulatory capital. We have in-depth knowledge of regulatory systems and culture, having acted both on the regulatory and industry sides in the past. We are also active in advising major players in the alternative financing market.

The Structured Finance team advises on a wide range of capital markets and structured finance products and related issues which involve the use of Irish companies. Common transactions on which the team advises include: CLOs, RMBS and other securitisation structures, fund-linked structured products, repackagings and debt issuance programmes. We also advise on regulatory issues impacting on structured finance vehicles including those in relation to the Prospectus Directive, Market Abuse Regulation, Transparency Directive, AIFMD, EMIR, MiFID and risk retention requirements for securitisations under the Capital Requirements Regulation (including funded originator structures and risk retention financing structures). Many of these structures may be replicated in the UK regulatory framework which will require migration in a post-Brexit environment. Similarly, certain aspects of current structures with UK-based elements or service providers may continue to require EU compliance following Brexit. Our Structured Finance team is highly experienced in all aspects of EU regulatory compliance, which commonly impacts structured finance transactions. Our partners are also heavily involved in the Irish Debt Securities Association ("IDSA"), an industry group which engages proactively with Irish government



departments and public bodies in relation to the implementation of regulation and policy which may impact the structured finance industry.

Ireland has long been regarded as a leading jurisdiction for aviation finance and leasing, and our specialised Aviation Finance team across our firm is well positioned to advise on the laws of the Cayman Islands, Ireland and the British Virgin Islands. Although unlikely that aircraft leasing will be affected as much as other financial services industries after Brexit, there are still important considerations for the aircraft leasing industry. As leasing is a non-regulated activity, lessors do not need EU regulatory market access to operate, however, those lessors with leasing platforms in the UK may now look to further develop existing or new lessor bases in Ireland in light of Brexit uncertainties.

In addition to aircraft leasing and finance structure requirements, our Dublin-based team can also assist with regulatory matters should certain airlines consider restructuring operations and look to Ireland as a gateway to ensuring continued access to the EU Single Aviation Market and EU negotiated agreements with third countries (e.g. the EU-US open skies agreement).

Corporate & Commercial

Our leading, full service Corporate & Commercial group represent many international and indigenous clients in relation to their corporate and commercial requirements in an Irish law context. We leverage local knowledge with a global perspective to assist sophisticated clients in establishing green-field operations in Ireland, in acquiring Irish targets or in using Ireland as part of a global corporate structure.

As an open economy with an extensive range of international tax treaties and a pro-business environment, Ireland attracts undertakings from around the world. These businesses see value and opportunity in Ireland's offering and incorporate both trading subsidiaries and group holding companies in the jurisdiction.

Our Corporate & Commercial group in Dublin addresses all aspects of establishing and maintaining Irish companies and Irish commercial and business law matters. The practice provides clients with practical, timely and innovative solutions to handle complex transactions and arrangements. We have advised on some of the largest cross border transactions involving Ireland and routinely advise international businesses who establish in Ireland for the first time.

Tax

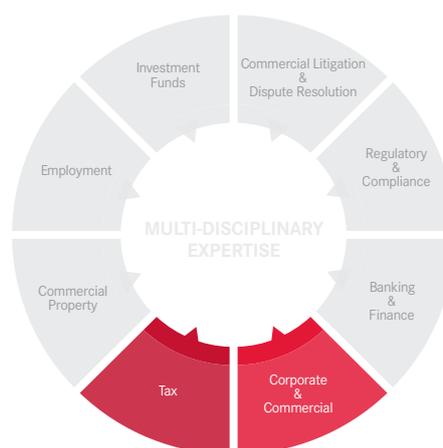
Amidst uncertainty as to whether there will be a 'hard' or 'soft' Brexit, Ireland is particularly attractive to businesses currently based in the UK, seeking a modern open economy with access to the EU.

Ireland has a sophisticated and attractive tax regime providing certainty and clarity to the many international investors and thousands of employees who currently reside here. Leading global companies, financial institutions, alternative investment funds and family offices have all chosen Ireland as a base of operations, as well as a jurisdiction for investment and management vehicles.

Ireland offers a 12.5% corporation tax rate on trading income, over 70 comprehensive double tax treaties, including with the UK, US and China and a clear and transparent VAT regime. As a member of the EU, Ireland retains the benefit and protection of the many EU directives relating to taxation, including the Mergers Directive and the Parent Subsidiary Directive. Ireland is at

In the context of Brexit our range of services include:

- company formation and branch establishment;
- mergers and acquisitions;
- securities law and equity capital markets;
- equity financing and shareholder arrangements;
- group re-organisations;
- employment law and employee incentives;
- intellectual property protection, licensing and IP transfers;
- commercial contracts and outsourcing;
- privacy, data and other regulatory matters;
- partnerships and joint ventures; and
- competition law.



the forefront of the OECD BEPS project, ensuring that its tax regime is stable, reputable and compliant with international standards.

Ireland's tax system has the key features to be an ideal base for senior foreign executives in multinationals and financial institutions. The Irish rules regarding residence and domicile are similar to, yet far simpler than, many other jurisdictions, including the UK. A non-domiciled Irish tax resident individual is generally subject to tax on income from Irish sources only with non-Irish income only taxed on a remittance basis.

Ireland also offers a number of specific measures designed to facilitate internationally mobile staff including the Special Assignee Relief Programme ("**SARP**"), reducing income tax exposure for inbound assignees to Ireland and the Foreign Earnings Deduction ("**FED**") which is relevant to staff who undertake significant activities outside Ireland.

Commercial Property

Our Commercial Property group offers advice on all aspects of Irish real estate and construction law. The Irish real estate market has undergone significant restructuring in recent years to become a truly international market. Our team, with its local expertise, has been at the forefront in this transition, advising both domestic and international financial institutions and leading international investors on the acquisition, management and leasing of Irish real estate.

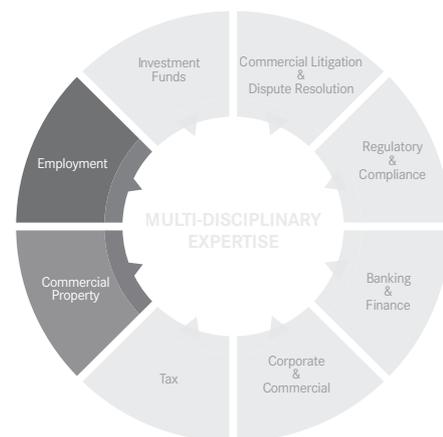
The Commercial Property group works closely with our market leading Investment Funds, Banking & Finance and Tax groups, collaborating efficiently and seamlessly to complete the most complex of real estate transactions within strict deadlines. These services have been in demand for entities establishing operations prior to Brexit and we are seeing increased demand for Irish property and office space as a result of new entities establishing in Ireland post-Brexit.

We have extensive experience advising international private equity and institutional investors on all property law aspects involved in the acquisition and management of Irish real estate assets. The team also specialise in commercial landlord and tenant law and regularly advises

blue chip international entities on letting office space in the Dublin market.

We are committed to delivering the highest quality service and advice on:

- acquisition and management of Irish real estate assets;
- commercial landlord and tenant to include in particular office lettings of all sizes;
- investment acquisition and disposals (both commercial and residential projects);
- real estate funds;
- real estate finance; and
- construction law.



Employment

Our Employment group advises domestic and international companies and senior executives on all aspects of Irish employment law, including drafting employment contracts and policies; governance procedures for board level senior executives; outsourcings under the transfer of undertakings regulations; disciplinary and grievance procedures; and enforcing post-termination restrictive covenants.

We also specialise in corporate immigration, advising on employment permit applications and appeals. In the context of Brexit, this advice can cover hiring new staff in Ireland, relocation of existing employees or contracting with local secondees. We have represented our clients before the employment tribunals and civil courts in Ireland and have in-house advocacy capabilities.

One-Stop-Shop for Brexit Planning

The Maples group provides a comprehensive suite of ancillary services and market leading innovations to meet client requirements across legal, administrative, fiduciary and funds services needs.

Our experience and one-stop-shop offering has been welcomed by many clients looking at the challenges arising from Brexit. In particular, these services can assist clients in meeting legal, regulatory, tax and other substance requirements when relocating to Ireland.

Management Company Solutions

MPMF Fund Management (Ireland) Limited ("**MPMF**") is a Central Bank of Ireland authorised Irish-based entity with dual authorisation as both an AIFM and a UCITS management company.

For clients looking to retain an EU authorised management company that can retain EU management and marketing permissions post-Brexit, MPMF has become one of Ireland's leading outsourcing solutions.

MPMF provides services to Irish AIFs and UCITS that meet the ongoing obligations under the AIFMD and UCITS Directives and can delegate services back to clients based in the UK or further afield.

MPMF provides flexible solutions to its clients through an experienced team, which includes investment and risk management professionals and designated individuals with in-depth knowledge of finance and operations, regulatory and compliance matters. MPMF also utilises a combination of proprietary and industry leading technology for risk and regulatory reporting.

MaplesFS

MaplesFS (comprising Maples Fiduciary and Maples Fund Services) is an independent global provider of specialised fiduciary, fund administration, entity formation and management, insurance management and trust and private client services.

Maples Fiduciary's core service is the provision of independent directors, managing member, general partner and trustee services to investment funds, partnerships, private companies and structured finance vehicles. We also provide a wide range of complementary service lines that support our core platform, including incorporation and corporate services, the preparation of IFRS and periodic management accounts, affiliated trade review, listing services and a dedicated corporate secretarial group which provides governance support to the boards of both corporate and regulated investment fund entities.

Maples Fund Services is at the forefront of the outsourced fund administration sector. Leveraging best-of-breed technology and professional expertise in regulatory compliance, investor servicing, fund accounting and operations, we deliver reporting solutions that provide clients with the operational backbone needed to support their operations.

Global Registration Services

We are unique in the Irish market, given the dedicated registration team within our Investment Funds Group.

Our Global Registration Services team has earned industry wide recognition for our bespoke and cost effective registration services and solutions assisting clients with the implementation of their multi-market distribution strategies.

For clients moving operations to Ireland, we can support all legal and regulatory aspects governing the cross-border marketing of investment funds on both a public offer and private placement basis.

Listings

With combined expertise of over 30 years, we are one of the key listing sponsors on the Irish Stock Exchange, listing funds from many jurisdictions, including Ireland, the Cayman Islands, the British Virgin Islands and Bermuda.

Technology

Each year we invest significant resources in technology to ensure that we provide a single platform that supports clients and our teams globally. Our investment in web-based solutions, such as eServices, the board portal, eFile and extranet ensures that we deliver the quality of functionality and information that our clients demand. For example, Maples eServices offers clients secure portal access to their individual accounts which provide corporate records, billing information, key documents, important news and online conferencing.

Compliance Monitoring

Given the importance of having a robust systems and controls environment within regulated businesses, we have developed eServices Compliance© which is aimed at ensuring clients meet regulatory scrutiny whilst effectively using resources within their legal and compliance departments. eServices Compliance© is an automated compliance monitoring programme, with bespoke modules depending on regulatory authorisation and provides a centralised repository to evidence compliance testing. It also has the ability to send out automated notifications to relevant parties (internal and external).

Industry Recognition

Legal 500

“ Highly knowledgeable, proactive and, above all, pragmatic...

“ ...regarded by some as being 'the best in Dublin'...

Chambers Europe

“ Commercially minded, aware of new developments and very proactive...

“ First port of call for cases that involve pushing boundaries...

“ These lawyers are brilliant at what they do, and will always deliver...

Chambers Global

“ They're extremely responsive, well organised, and stay on top of the documents. We value their thoroughness; they excel at getting things done...

“ It's a go-to firm for us in Ireland – we have a very good relationship...

Contacts

Maples and Calder

Managing Partner, Dublin

Nicholas Butcher

+353 1 619 2025

nicholas.butcher@maplesandcalder.com

Banking and Finance

John Breslin

+353 1 619 2074

john.breslin@maplesandcalder.com

Stephen McLoughlin

+353 1 619 2736

stephen.mcloughlin@maplesandcalder.com

Commercial Litigation & Dispute Resolution

Brian Clarke

+353 1 619 2042

brian.clarke@maplesandcalder.com

Robin McDonnell

+353 1 619 2726

robin.mcdonnell@maplesandcalder.com

Commercial Property

Diarmuid Mawe

+353 1 619 2050

diarmuid.mawe@maplesandcalder.com

Craig Kenny

+353 1 619 2765

craig.kenny@maplesandcalder.com

Corporate & Commercial

Colm Rafferty

+353 1 619 2058

colm.rafferty@maplesandcalder.com

Patrick Quinlan

+353 1 619 2059

patrick.quinlan@maplesandcalder.com

Employment

James Scanlon

+353 1 619 2061

james.scanlon@maplesandcalder.com

Investment Funds

Peter Stapleton

+353 1 619 2024

peter.stapleton@maplesandcalder.com

Stephen Carty

+353 1 619 2023

stephen.carty@maplesandcalder.com

Adam Donoghue

+353 1 619 2718

adam.donoghue@maplesandcalder.com

Regulatory & Compliance

Gerry Brennan

+353 1 619 2723

gerry.brennan@maplesandcalder.com

Tax

Andrew Quinn

+353 1 619 2038

andrew.quinn@maplesandcalder.com

William Fogarty

+353 1 619 2730

william.fogarty@maplesandcalder.com

MaplesFS

Stephen O'Donnell

+353 1 697 3244

stephen.odonnell@maplesfs.com

MPMF

Naomi Daly

+353 1 697 3275

naomi.daly@mpmfmanagement.com

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